



Hecla Mining Company

W Healey

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December 6, 1990

Mr. Lowell P. Braxton
Associate Director, Mining
State of Utah
Department of Natural Resources
Division of Oil, Gas, and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

DIVISION OF
OIL, GAS & MINING

Re: Escalante Mine, M/021/004
Iron County, Utah

Dear Mr. Braxton:

In response to your letter of October 30, 1990 informing us of our need to provide you with new surety for a revised reclamation estimate of \$181,500, I hereby enclose a Reclamation Contract and a Self Bonding and Indemnity Agreement, and a Self Bond Qualification Statement.

I am also enclosing the following financial reports to substantiate the Self-Bond Qualification Statement:

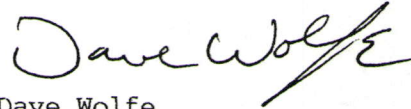
1. 1989 Annual Report and 10-K
2. 1990 First Quarter Report and 10-Q
3. 1990 Second Quarter Report and 10-Q
4. 1990 Third Quarter Report and 10-Q
5. Prospectus for \$175,000,000 of Liquid Yield Option Notes due 2004 (Prospectus dated June 7, 1989)

The Prospectus is a recent filing with the Securities and Exchange Commission which provide you with additional information to the annual and quarterly reports.

I trust that the enclosed information will satisfy our bonding requirements for the Escalante mine reclamation. If you have any questions regarding the enclosed forms or financial information, please contact me.

Kindly send me copies of both documents after they have been executed by your Board.

Best regards,

A handwritten signature in cursive script that reads "Dave Wolfe". The signature is written in dark ink and is positioned above the printed name and title.

Dave Wolfe
Assistant Treasurer

DFW/amh

Enclosures

c: MBWhite
PBJohnson
RHWallace